cause of action arising outside of the state. *Held*, that such service is invalid. *Chipman, Limited*, v. *T. B. Jeffery Co.*, 260 Fed. 856 (Dist. Ct. S. D. N. Y.).

Statutes are common requiring foreign corporations to designate some local agent upon whom process may be served. These are unquestionably valid. *In re Louisville Underwriters*, 134 U. S. 488; *Lafayette Ins. Co.* v. *French*, 18 How. (U. S.) 404; *N. E. Mutual Life Ins. Co.* v. *Woodworth*, 111 U. S. 138. Statutes may insist on the maintenance of such an agent as long as outstanding liabilities incurred in the state exist, irrespective of the continuance of business therein. *Groel* v. *United Electric Co.*, 69 N. J. Eq. 397, 60 Atl. 822. See 19 HARV. L. REV. 52. It may also be provided that such agent shall be liable to service in actions arising without the state. *Bagdon* v. *Phil. & Reading Coal Co.*, 217 N. Y. 432, 111 N. E. 1075; *Smolik* v. *Phil. & Reading Coal Co.*, 222 Fed. 148. See 29 HARV. L. REV. 880. The basis of consent to such provisions is the transaction of business within the state. Though the corporation should not be allowed to escape liability resulting from the business transacted within the jurisdiction by withdrawing its business therefrom, justice does not require that liability to suit continue with respect to actions arising without the jurisdiction. Hence, even though the statute requires the appointment of an "irrevocable agent," such agency may be effectively revoked so as to invalidate service on such person as to foreign causes of action. *Mutual R. F. L. Ass'n* v. *Boyer*, 62 Kan. 31, 61 Pac. 387. *Hunter* v. *Mutual Reserve Life Ins. Co. et al.*, 218 U. S. 573. See also *Williams* v. *Mutual R. F. L. Ass'n*, 145 N. C. 128, 58 S. E. 802. Since it is the withdrawal of business and not the formal revocation of the agency which takes such causes of action out of the jurisdiction of this court, it was correctly decided in the principal case that the lack of such revocation is immaterial. See *Mutual R. F. L. Ass'n* v. *Boyer*, *supra;* BEALE, FOREIGN CORP., §§ 279 *et seq.*

FRAUDULENT CONVEYANCES — BULK SALES ACTS — WHAT IS MERCHANDISE UNDER A BULK SALES STATUTE. — The plaintiff was a creditor of one of the defendants. The latter sold his restaurant, together with all the food and fixtures therein, to the other defendant. Under a statute making the sale of a large part or the whole of a stock of merchandise void against creditors unless certain conditions are fulfilled, the plaintiff sought to have the property subjected to the payment of the debt due him. *Held*, that it is not subject to the payment of the debt. *Swift & Co.* v. *Tempelos et al.*, 101 S. E. 8 (N. C.).

For a discussion of the principles involved in this case see NOTES, p. 717, *supra.*

GARNISHMENT — GARNISHEE'S RIGHT TO SET OFF CLAIMS AGAINST THE PRINCIPAL DEBTOR ACQUIRED AFTER SERVICE OF THE WRIT. — The defendant bank, after it had been served with a writ of garnishment, allowed the principal debtor, one of its depositors, to draw checks for which he had no funds in the bank and later received deposits from him to cover the overdrafts. At no time between the service of the writ and the trial did the debtor's account show a balance in his favor. The bank now contends that it is not liable, as garnishee, for these deposits. *Held*, that the bank is liable with no right of set-off. *Benni* v. *First National Bank of Mildred*, 68 Pitts. L. J. 22.

The property subject to garnishment depends upon particular statutes. In most jurisdictions, it is only such as is in the hands of the garnishee at the service of the writ. *Eller* v. *National Motor Co.*, 181 Iowa, 679, 165 N. W. 64; *Gillette* v. *Cooper*, 48 Kan. 632, 30 Pac. 13. But in the principal case the statute makes the garnishee chargeable with all that comes into his possession before answer. *Glazier* v. *Jacobs*, 250 Pa. 357, 95 Atl. 532. The garnishee's right of set-off is determined independently of his liabilities. He is entitled to all set-offs existing at the time of service. *Truan* v. *Range Power Co.*, 124

Minn. 339, 145 N. W. 26; Mass. R. L., c. 189, § 25. But if his claim arises after service, it is not available as a set-off. *Wheeler* v. *Emerson*, 45 N. H. 526. In the instant case, the court treats the deposits as after-acquired property subject to garnishment, and the overdrafts as after-acquired claims against the principal debtor, unavailable as defenses. Assuming this, it is submitted that where a garnishment statute creates responsibility for property acquired between service and answer, the courts should, for obvious reasons of business convenience, allow the garnishee to set off claims acquired during the same period. Furthermore, it seems improper to consider the deposits as claims due the principal debtor so as to be subject to garnishment. They are really payments of the garnishee's claim for the overdrafts. Where the garnishee is an employer, this view has been taken as to wages payable in advance. *Bump* v. *Augustine*, 154 N. W. 782 (Iowa); *Callaghan* v. *Pocasset Mfg. Co.*, 119 Mass. 173.

INSURANCE — MARINE INSURANCE — APPORTIONMENT BETWEEN WAR RISK AND MARINE RISK. — The Admiralty requisitioned a vessel, the charter party providing that "the Admiralty shall not be held liable if the steamer shall be lost . . . in consequence of dangers of the sea . . . collision . . . or any other cause arising as a sea risk," but the Admiralty took the risk of "all consequences of hostilities or warlike operations." The vessel while navigating at night without lights, in compliance with Admiralty orders, collided with another vessel also navigated without lights, and sank. *Held*, that the loss was not a consequence of hostilities or warlike operations. *Britain Steamship Company, Ltd.* v. *The King*, [1919] 2 K. B. 670 (Court of Appeal).

By one policy a vessel was insured against "all consequences of hostilities or warlike operations by, or against the King's enemies," and by another policy against the usual maritime perils "warranted free from . . . all consequences of hostilities and warlike operations." While proceeding in convoy at night, zigzagging on a course ordered by a naval officer, the vessel ran upon a reef and became a total wreck. *Held*, that the loss falls upon the marine risk underwriters. *British India Navigation Co.* v. *Green, et al.*, [1919] 2 K. B. 670 (Court of Appeal).

For a discussion of these cases, see NOTES, p. 708, *supra*.

INSURANCE — MARINE INSURANCE — RECOVERY DENIED FOR PARTIAL LOSS WHEN FOLLOWED BY TOTAL LOSS FROM AN EXCEPTED PERIL. — A vessel was insured against marine risks only, including particular average, on a time policy. Indemnity for loss by war risks was contracted for by the British Admiralty, value to be ascertained at date of loss. Due to a partial loss by marine risks, the vessel depreciated in value to the extent of £1770. This loss remained unrepaired, and on a subsequent voyage, during the currency of the policy, the vessel was totally destroyed by war risks. Indemnity to the then value of the ship was paid by the Admiralty, and the owner sued the underwriter for its share of the £1770 partial loss. *Held*, that the partial loss may not be recovered. *Wilson Shipping Co., Ltd.*, v. *British and Foreign Ins. Co., Ltd.*, [1919] 2 K. B. 643.

Section 77 (2) of the British Marine Insurance Act of 1906, which provides that there shall be no recovery for an unrepaired partial loss, when followed by a total loss, appears to contemplate a case where both partial and total loss would fall upon the underwriter. See 6 EDW. VII, c. 41. Reliance is placed, in the instant case, upon a decision of Lord Ellenborough to the effect that an unrepaired partial loss, which caused a depreciation in the value of the vessel, could not be recovered when there was immediately afterwards a total loss from an excepted peril. *Livie* v. *Janson*, 12 East, 648. Whether the principle of that decision is sound is open to question. See PHILLIPS ON